



General Assembly

Substitute Bill No. 6615

January Session, 2001

***AN ACT ESTABLISHING CONSUMER PROTECTIONS FOR HOME
IMPROVEMENT CONTRACTOR FINANCED PROGRAMS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Subsection (e) of section 20-429 of the general statutes is repealed
2 and the following is substituted in lieu thereof:

3 (e) Each home improvement contract entered into shall be
4 considered a home solicitation sale pursuant to chapter 740 and shall
5 be subject to the requirements of said chapter regardless of the location
6 of the transaction or of the signing of the contract. Each home
7 improvement contract in which the owner agrees to repay the
8 contractor an amount loaned or advanced to the owner by the
9 contractor for the purposes of paying for the goods and services
10 provided in such contract, or which contains a finance charge, (1) shall
11 set forth the information required to be disclosed pursuant to the
12 Truth-in-Lending Act, sections 36a-675 to 36a-685, inclusive, (2) shall
13 allow the owner to pay off in advance the full amount due and obtain
14 a partial refund of any unearned finance charge, and (3) may contain a
15 finance charge set at a rate of not more than the rate allowed for loans
16 pursuant to section 37-4. As used in this subsection, "finance charge"
17 means the amount in excess of the cash price for goods and services
18 under the home improvement contract to be paid by the owner for the
19 privilege of paying the contract price in installments over a period of
20 time.

JUD *Joint Favorable Subst.*